



July 31, 2018

Nevada Division of Insurance  
Commissioner Barbara Richardson  
1818 E College Pkwy #103  
Carson City, NV 89706

Re: Proposed R001-18 – Producer Fees

Dear Commissioner Richardson,

I am writing on behalf of the Nevada Association of Health Underwriters (NVAHU), a professional association representing the thousands of Nevada licensed health insurance producers, advisors, general agents, consultants and employee benefits specialists. The members of NVAHU work on a daily basis to help individuals and employers purchase, administer and utilize health insurance coverage. NVAHU believes that health insurance can be confusing for consumers, and NVAHU licensed health insurance producers can engage, educate and empower consumers to make informed choices.

NVAHU appreciates the opportunity to provide the Nevada Division of Insurance with comments about the proposed R001-08 Producer Fees regulation. We are grateful for the work that you and staff have done since the passage of SB209 that allows the Insurance Commissioner to adopt regulations with regards to producer fees. We are further grateful that the Division of Insurance and staff have worked with producers and other stakeholders while working on this language.

Producers do more than sell health insurance policies. Producers provide guidance and advise in the plan selection process, helping clients purchase a health plan that fits within their goals for their particular situation. Producers also provide year-round service to policyholders assisting with a variety of service issues from premium bill discrepancies, claims reviews, assisting with appeals, answering questions and providing information regarding plan details, drug formularies, networks, referral processes and much more.

Agent firms are usually locally owned and operated, and we are stakeholders in our communities. Most client meetings are face to face, one-on-one, with clients resulting a trust-based relationship. Satisfaction of a client is the producers top priority.

There are many professions that allow for fees to be charged to their clients. For example, attorneys, accountants/CPA's, fitness trainers, cosmetologists, and more, charge a fee for their services which is paid by and expected of the consumer.



We believe that the proposed producer fee regulation does a tremendous job of improving the transparency and consumer protections by requiring written disclosures between the producer and the consumer that include the amount of the fee to be charged and the description of services to be rendered among other important information. We would encourage the inclusion of the timeframe for how long the disclosure is required to be kept by the producer (Sec. 3.2(b)) as the timeframe is not indicated.

It is also important to note that producers are *not* required to charge a fee and that the disclosure form would only be required in the instance that a producer is charging a fee to their client for providing consultative advise.

If you should need any additional information or have questions that we are able to assist with, please do not hesitate to contact me directly at 775-843-3329 or at [nevadanative@yahoo.com](mailto:nevadanative@yahoo.com).

Thank you for your consideration.

Sincerely,

Grace Daidone  
State President  
Nevada State Association of Health Underwriters